

RESPONSE TO REQUEST FOR INFORMATION –

NOTIONAL SHIPBUILDING PROJECTION

Requestor: HASC Seapower Subcommittee (Sienicki)

Request: Impact of a historic SCN funding profile on the 30 year shipbuilding plan

Caveats: The following notional shipbuilding tables are based on an amount of shipbuilding funding (SCN) consistent with that of the current FYDP (FY14-FY18). These projections are rough order of magnitude (ROM) and do not incorporate PB14 marks, sequestration or the Department of the Navy's potential reprogramming actions or the impacts from any FY13 sequestration carry over in our SCN/NDSF procurement programs. These factors could have significant impacts on our ability to achieve efficiencies from multi-year contracting, advanced procurement/planning and/or shipbuilding infrastructure/workforce shaping.

Discussion: As described in the Annual Report to Congress on Long-Range Plan for Naval Vessels for FY2013 (submitted in April 2012), if the Ohio Replacement Ballistic Missile Submarine (OR SSBN) is funded from outside DoN and with additional resources in the early 2020s, DoN will be able to build the battle force required to execute the Defense Strategic Guidance (DSG) as determined by the Navy Force Structure Assessment (FSA).

DoN has *historically* been able to resource between \$12B and \$14B in annual new-ship procurement funding. During the FY2014-2018 FYDP, average annual new-ship procurement funding is about \$14B. This level of investment is based on the need to balance our resources between manning, maintenance, sustainment, modernization and recapitalization of our ships, aircraft and weapons.

If DoN funds the OR SSBN from within its own resources, OR SSBN construction will take away from construction of other ships in the battle force such as attack submarines, destroyers, aircraft carriers and amphibious warfare ships. Table 1 describes a notional construction plan that costs \$14B - \$15B annually, and includes the OR SSBN. The resulting inventory of ships is detailed in Table 2. This battle force will not meet the requirements of the FSA and will therefore not be sufficient to fully implement or support the existing DSG.

The fleet described in Table 2 is, in many individual years, about the same size overall as today's fleet. However, it is not the same mix of ships as that required by the FSA; this notional plan would have a much larger percentage of small surface combatants and support ships. This makes the battle force less able to address the capacity needed for more complex missions such as Ballistic Missile Defense (BMD) or anti-submarine warfare. This fleet would also be stressed to execute the DSG. Today's combatants deploy 1-2 months longer on average than what the FSA established as a sustainable deployment length to allow sufficient time for training and maintenance between deployments. If continued, this operational tempo would likely reduce the expected service life (ESL) of ships, exacerbating the capacity shortfalls of the battle force described in Table 2.

Just as important, this plan will severely damage our shipbuilding industrial base. Submarine and Large Surface Combatant construction will slow or stop to the point where only

one or two shipyards will be able to remain in business, reducing multi-year contracting advantages, industry competition and subsequently raising prices. Amphibious Warfare Ship procurement will slow to the point where the industrial base will likely need to be reconstituted several times during the 30-year period of the plan, increasing costs and schedule risks.

Table 1. Notional FY2014-2043 Long-Range Naval Battle Force Construction Plan

Fiscal Year	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40	41	42	43
Aircraft Carrier					1					1					1					1					1					1
Large Surface Combatant	1	2	2	2	2	1	2	1	2	2	2	1	2	1	2	1	1	1	1	1	1	2	2	2	3	3	2	2	3	3
Small Surface Combatant	4	4	2	2	2	2	2	2	2	2	2	2	2	2	2	2	1		1		1	1		4	4	4	4	4	3	3
Attack Submarines	2	2	2	2	2	2	2	1	2	2	1	1	1	1	1		1	1		1	1	1	2	2	2	2	1	2	1	2
Ballistic Missile Submarines								1			1		1	1	1	1	1	1	1	1	1	1								
Amphibious Warfare Ships				1		1			1	1		1		1	1	1		1	1	1		1	1	1		1	2		1	
Combat Logistics Force			1		1		1	1	1	1	1	1	1	1	1	1	1	1	1	1	1									1
Support Vessels	1			2	1	1	2		2	3	2	1			1	1	2	2	3	2	2									
Total New Construction Plan	8	8	7	9	9	7	9	6	10	12	9	7	7	7	10	7	7	7	8	8	7	6	5	9	10	10	9	8	8	10

Table 2. Notional FY2014-2043 Long-Range Naval Battle Force Inventory

Fiscal Year	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40	41	42	43
Aircraft Carrier	10	10	11	11	11	11	11	11	12	12	12	11	11	11	11	11	11	11	11	11	11	11	11	11	11	11	10	10	10	10
Large Surface Combatant	85	78	82	83	84	86	87	88	87	87	88	87	87	88	86	84	80	76	73	72	69	70	71	72	73	74	74	74	72	72
Small Surface Combatant	26	23	27	29	33	38	37	37	38	36	37	38	40	42	44	46	48	50	52	52	52	52	52	52	52	52	52	52	52	52
Attack Submarines	55	55	53	50	52	52	49	49	48	48	48	47	45	44	42	41	41	42	42	43	43	44	45	45	44	44	44	44	46	46
Cruise Missile Submarines	4	4	4	4	4	4	4	4	4	4	4	4	2	1																
Ballistic Missile Submarines	14	14	14	14	14	14	14	14	14	14	14	14	14	13	12	11	11	11	10	10	10	10	10	10	10	10	10	11	12	12
Amphibious Warfare Ships	31	28	29	30	31	31	31	31	31	31	32	33	32	32	32	32	32	32	32	32	32	32	32	32	32	32	32	32	32	32
Combat Logistics Force	31	29	29	29	29	29	29	29	29	29	29	29	29	29	29	29	29	29	29	29	29	29	29	29	29	29	29	29	29	29
Support Vessels	26	29	31	33	33	35	33	33	33	34	34	34	33	33	33	33	33	33	34	34	34	34	34	34	33	34	33	33	33	33
Total Naval Force Inventory	282	270	280	283	291	300	295	296	296	295	298	297	293	293	289	287	285	284	283	283	280	282	284	284	285	285	284	285	286	286